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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

KAHALA FRANCHISE CORPORATION)

A Delaware corporation,)

Plaintiff,)

vs.)

Case No. 08 CV 4750

NABIL MAKHAMREH, Individually,)

MATTHEW CHEESESTEAK, Inc.,)

an Illinois Corporation, and M & S)

CHEESESTEAK, INC. , a Virginia)

corporation.)

Defendants.)

Judge: ROBERT M. DOW, JR.

Magistrate: Judge Brown

PERMANENT RESTRAINING ORDER

THIS MATTER coming before the Court for Injunctive Relief, all parties having been notified and given an opportunity to be heard, and the Court having been fully advised on the premises:

This Court having reviewed Plaintiff's Motion for Temporary Restraining Order, heard testimony of the Defendant, and reviewed the Complaint filed herein in the above cause. The Court is aware the parties have entered into a Settlement Agreement, and desire the issuance of this Permanent Restraining Order.

IT IS HEREBY ADJUDGED, ORDERED AND AGREED TO AS FOLLOWS:

1. Defendants, Nabil Makhamreh, Matthew Cheesesteak, Inc., M & S Cheesesteak, Inc., and any of their agents, servants or employees, as well as, non parties Faten Makhamreh and F & S Cheesesteak, Inc. are hereby enjoined from operating or having any direct or indirect ownership or financial interest, or any affiliation whatsoever in the substantially similar competing business known as Charley's Grilled Subs in Lombard, Illinois or elsewhere during the terms of the Franchise Agreements between KAHALA and Defendants. The competing restaurant should be closed unless

Defendants and above named non-parties transfer the restaurant in a bona fide, arms length transaction to a bona fide completely unrelated third party with whom the above named in ¶1 will have no direct or indirect ownership or financial interest, or any affiliation whatsoever presently or in the future, within 60 days or, in the event an Asset Purchase Agreement with such bona fide third party is entered into within 60 days, within 90 days if a sale is not able to close within 60 days of this Order.

2. This Court maintains jurisdiction solely for purposes of enforcement of this Permanent Injunction to enforce the Non- Compete provisions of the Franchise Agreements and the terms of the Settlement Agreement attached.

3. Defendants, and any of their agents, servants or employees, and signatories to the Settlement Agreement are hereby enjoined from competing with KAHALA in violation of the Franchise Agreements after the sale of the competing restaurant within 60 or 90 days as set forth above.

4. Defendants and their agents, servants, and employees, and signatories to the Settlement Agreement are enjoined from conducting business on the premises in Yorktown Mall, Lombard, Illinois as a Charley's restaurant.

DATED: September 2, 2008

ENTER:



U.S. District Judge

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8/29/08